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Kentucky taxpayers encouraged to file electronic returns

E-filing with direct deposit may result in receiving your refund in seven to 14 business days

FRANKFORT, Ky.— The Finance and Administration Cabinet's Department of Revenue (DOR) encourages Kentucky taxpayers to file electronically again this year. The benefits of e-filing result in reduced tax preparation time, accuracy of returns, acknowledgement of the receipt of your return and faster refunds.

"Each year during tax season, the DOR receives in excess of three million pieces of mail, most of which are paper returns that must be opened, sorted and manually entered," Secretary Robbie Rudolph said. "Electronic filing allows your tax information to go directly into the system, reducing error and delay. It even allows your refund to be direct deposited to your financial institution if you choose."

The cost to process a paper return is estimated by DOR to be \$1.62, while electronic returns cost an estimated \$0.095 to process. Since 2001, the increased use of e-filing has saved the commonwealth approximately \$5.3 million in the cost of processing returns. In addition to this cost savings, taxpayers who filed electronically and elect for direct deposit may receive refunds in fewer than 14 business days.

For taxpayers who choose not to e-file, the DOR suggests using tax preparation software that prints a 2-D barcode in the upper right hand corner of the return. This barcode allows your tax information to be scanned directly into DOR systems, alleviating the need for data entry and reducing error or delay.

If you owe money, you may pay your 2005 Kentucky individual income tax online with your Visa or MasterCard through April 17, 2006. Credit card payments may be made over the Internet by accessing DOR's Web site at www.revenue.ky.gov and clicking on the **KY E-Tax** in the top right hand corner of the front page. If you do not have access to the Internet and wish to pay your taxes by credit card, contact the DOR at (502) 564-4581.

All Kentucky income tax forms are available at www.revenue.ky.gov under the heading **Forms** or by calling (502) 564-3658. Forms are also available from most local post offices, financial institutions and libraries, as well as any of the 10 DOR field offices located throughout the state. A list of field offices is available at <http://www.revenue.ky.gov/aboutus/taxpayerservicecenters.htm>.

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